



DYESS AFB HOUSING PRIVATIZATION PROJECT SCOPE

**Col Bob Peters
HQ ACC/CEI
22 Oct 98**



OVERVIEW

- **Dyess AFB Housing Goal**
- **Proposed Project**
 - **Minimum Requirements**
 - **Management Concepts**
 - **Design and Construction Criteria**
 - **Financial Considerations**



OUR GOAL

- **Dyess' Housing Goal:** Maximize opportunities to provide quality, affordable housing where military families will choose to live
- **Problem:** Existing on-base and community assets do not meet the demand of junior enlisted and officer families -- 631 units short
 - **Currently, two ways to satisfy the deficit:**
 - Traditional military construction
 - Use of privatization authorities



PROPOSED PROJECT

- **Encourage a private developer to build a minimum of 402 quality apartments and townhouses in Abilene, Texas, and give priority to military families who choose to live there**
 - **Development to serve junior enlisted and junior officer families with rents from \$399 - \$666, including utility costs (gas & electric)**
- **Successful offeror to design, construct, own, manage, and maintain the development for 30-50 years**
 - **Afterwards, Air Force preferential status ends**
- **Location to be determined by the successful offeror**
 - **City of Abilene services required**



MINIMUM UNIT REQUIREMENTS

Apartments:

Pay Grade	BAH*	Bedroom Type	Min SF	No.
E-1 – E-3	\$399	2 bedroom	950	49
E-4	\$448		950	132
E-1 – E-3	\$399	3 bedroom	1100	3
E-4	\$448		1100	7
Total Apartments:				191

* 1998 Basic Allowance for Housing (BAH)--Rental income equals BAH minus a reasonable utility allowance



MINIMUM UNIT REQUIREMENTS

Townhouses:

Pay Grade	BAH	Bedroom Type	Min SF	No.
E-5	\$504	2 bedroom	1050	100
E-6	\$570		1050	35
O-1	\$504		1050	4
O-2	\$570		1050	7
O-3	\$666		1050	30
E-5	\$504	3 bedroom	1275	20
E-6	\$570		1275	7
O-1	\$504		1275	1
O-2	\$570		1275	1
O-3	\$666		1275	6
Total townhouses:				211



MANAGEMENT CONCEPTS

- **Rent based on BAH minus utility allowance**
 - Member to keep utility allowance and pay utility company directly
 - Rents to be adjusted to BAH changes annually
 - Rents may be paid by allotment
- **Military families will have priority**
 - Base refers members; owner manages waiting list
 - Member signs annual lease with standard landlord / tenant agreement



MANAGEMENT CONCEPTS

- **Occupancy by other than active duty military families allowed subject to certain constraints**
 - **Lease term not to exceed 6 months**
 - **Rents for “non-target” military pay grades should be set at market rates**
- **Management Review Committee**
 - **Purpose is to facilitate long-term success**
 - **Address issues such as occupancy, disputes, safety, and routine operations and maintenance**
 - **Members to include representatives of the owner, Dyess AFB, and tenants**



DESIGN AND CONSTRUCTION

- **“Off-the-shelf” or new designs may be used**
 - **Designs should emphasize:**
 - **A balance of structures and landscaping to present a pleasing community for families**
 - **Low maintenance construction materials**
 - **Energy conservation and life-cycle economics**
 - **All major household appliances and laundry hookups in each unit**
 - **Solicitation package will specify:**
 - **Minimum and desirable requirements and amenities**
 - **Evaluation criteria to determine best value to the Air Force**



DESIGN AND CONSTRUCTION

- **Offerors must work with the City of Abilene on:**
 - **Zoning and other land-use issues**
 - **Infrastructure issues (such as roads & utilities)**
 - **Municipal services to the development**
 - **Permitting, inspection, and code enforcement actions during project design and construction**
 - **City of Abilene Certificate of Occupancy for each unit required prior to government acceptance**
 - **Air Force also reserves the right to ensure compliance with accepted standards and designs**



DESIGN AND CONSTRUCTION

- **National Environmental Policy Act (NEPA) applies**
 - **Air Force will conduct the Environmental Assessment process**
 - **Offeror's will provide an Environmental Considerations Document with their proposal addressing issues such as:**
 - **Past contamination**
 - **Wetlands**
 - **Endangered species**
 - **Nearby industrial activity**



FINANCIAL CONSIDERATIONS

- **The Air Force is prepared to offer a direct loan and loan guarantees**
 - **If the direct loan is over 50% of the project's debt, it will be secured by a first mortgage**
 - **Loan criteria to be specified in the solicitation**
 - **Terms of a direct loan are to be a part of the offeror's proposal**
 - **Other alternatives allowed by the authorities may be considered**
- **Offerors are responsible for all Federal, State, and local taxes**



SUMMARY

- **Dyess AFB needs quality, affordable housing to serve junior enlisted and junior officer families**
- **Privatization appears to be a viable means of stretching limited dollars**
- **We solicit your feedback on our concept and suggestions to improve our approach**